#### 1 HARDER, MIRELL & ABRAMS LLP CHARLES J. HARDER Pro Hac Vice - Admitted California Bar No.: 184593 3 132 S. Rodeo Drive, Suite 301 Beverly Hills, California 90212 Telephone: (424) 203-1600 Facsimile: (424) 203-1601 5 CHarder@HMAfirm.com 6 LAW OFFICES OF DAVID R. HOUSTON 7 DAVID R. HOUSTON Nevada Bar No: 2131 8 432 Court Street Reno, Nevada 89501 Telephone: (775) 786-4188 Facsimile: (775) 786-5573 10 DHouston@HoustonAtLaw.com 11 Attorneys for Plaintiff SUSAN STRACK 12 UNITED STATES DISTRICT COURT 13 14 DISTRICT OF NEVADA, NORTHERN DIVISION 15 SUSAN STRACK, an individual, CASE NO. 3:15-cv-00123-LRH-VPC 16 Plaintiff, FIRST AMENDED COMPLAINT FOR: 17 1. BREACH OF WRITTEN 18 v. AGREEMENT 19 STEVLAND MORRIS, an individual; BLACK BULL MUSIC, INC., a corporation 2. CONVERSION 20 of unknown origin; BLACK BULL MUSIC, ) LLC, a California limited liability company; 3. INTENTIONAL INTERFERENCE 21 STEVLAND MORRIS MUSIC, LLC, a WITH CONTRACTUAL California limited liability company; TAURUS ) 22 RELATIONS AND/OR ECONOMIC PRODUCTIONS, LLC, a California limited ADVANTAGE 23 liability company; SAWANDI MUSIC, an entity of unknown form and origin; and DOES 4. DECLARATORY RELIEF 24 1 through 10, inclusive, (28 U.S.C. § 2201) 25 Defendants. Honorable Larry R. Hicks 26 27 28

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Plaintiff Susan Strack alleges as follows:

## **SUMMARY OF THE ACTION**

- 1. Plaintiff Susan Strack (herein, "Ms. Strack" or "Plaintiff") is the widow of Johanan Vigoda ("Vigoda") who served for forty (40) consecutive years as the entertainment transactional attorney for defendant Stevland Morris, professionally known as Stevie Wonder ("Morris") and his corporate entities, and also served as manager of Morris's Jobete Music Co. ("Jobete") catalog. The professional relationship between Vigoda and Morris lasted consistently from 1971 through November 17, 2011, the date Vigoda passed away. Vigoda continued working on behalf of Morris until the day Vigoda died.
- 2. Vigoda's contribution to the success of Morris's music career was substantial.

  Because of Vigoda's representation, the terms of Morris's deals with music companies went from oppressive (before Vigoda became involved in 1971), to Morris having among the most lucrative contract terms in the music industry. This happened within a short time after Vigoda began to represent Morris and his companies, and those lucrative contract terms remained continuous through the forty years that Vigoda represented Morris. Vigoda was widely known as one of the most effective attorneys in the music industry. Nothing better exemplifies the effectiveness of Vigoda's representation than the fact that Morris kept Vigoda retained on his behalf consecutively for four decades.
- 3. The many written agreements between Vigoda and Defendants set forth Vigoda's compensation terms: Vigoda was to be paid a 6% fee of the revenues paid to Morris and his companies, associated with the agreements that Vigoda worked on, and that fee was required to be paid "forever" and would transfer to Vigoda's "heirs, assigns and successors in interest." Vigoda entered into several such agreements [with identical or nearly identical language] with Morris and his companies over the course of the 40 year period between 1971-2011.
- 4. To ensure that Morris, who has been blind since shortly after his birth, was clearly aware of the terms of each of the agreements that he entered into with Vigoda, Morris had a witness read to him the complete terms of each agreement. Once the terms were acceptable to Morris, he

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confirmed his (and his companies') agreement to the terms by affixing his mark to the agreement – usually his fingerprint – and the witness who read the terms to him also signed the agreement below Morris' mark, certifying that that witness had read to Morris all of the terms of the agreement.

- The agreements between Vigoda and Defendants were also reflected in contracts with 5. several music companies throughout the industry. Vigoda was a party, or third party beneficiary, to these contracts between Defendants and the third party music companies, which directed the music companies to pay the 6% fee directly to Vigoda and his "heirs, assigns and successors in interest" "forever."
- 6. Vigoda died on November 17, 2011, and bequeathed to his wife, plaintiff Ms. Strack, all rights including to receive the 6% fee "forever." After Vigoda's death, Morris and his companies (Defendants herein) continued to abide by the terms of the many written agreements with Vigoda, and paid Vigoda's estate (Ms. Strack) the required 6% fee. These payments continued for approximately twenty (20) months following Vigoda's death. However, in approximately mid-2013, Morris and his companies made the decision to breach their agreements with Vigoda (and his heir and successor: his widow, Ms. Strack), and stopped all payments to Ms. Strack. Morris and his companies also sent written notices to music companies throughout the industry, instructing them to stop all payments to Ms. Strack, notwithstanding the fact that she (and her successors) were and are legally entitled to the 6% fee "forever." As of that time, Morris and his companies retained for themselves the 6% fee, and Ms. Strack received nothing.
- 7. From mid-2013 through the present, Ms. Strack made every possible effort to persuade Morris and his companies to reinstate the 6% fee, and employed legal counsel to do so. However, Morris and his companies outright refused to reinstate any of the payments, and sought to negotiate a settlement of the dispute for "pennies on the dollar." Morris's and his companies' refusal to comply with their legal obligations under their many written agreements with Vigoda (and his heir and successor: his widow, Ms. Strack), left Ms. Strack with no reasonable alternative but to bring this action to re-instate permanently the 6% fee "forever" (including to her heirs, assigns and successors-in-interest); obtain back-payment of the 6% fee that has been wrongfully withheld from her since mid-2013; and seek plus punitive damages against Morris and his companies for their

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when the same have been ascertained. For convenience, each reference to a named defendant herein

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shall also refer to Does 1 through 10. All defendants, including both the named defendants and those referred to herein as Does 1 through 10, are sometimes collectively referred to herein as "Defendants."

16. Plaintiff is informed and believes and based thereon alleges that Defendants, and each of them, were and are the agents, employees, partners, joint-venturers, co-conspirators, owners, principals, and employers of the remaining Defendants, and each of them are, and at all times herein mentioned were, acting within the course and scope of that agency, partnership, employment, conspiracy, ownership or joint venture. Plaintiff is further informed and believes and based thereon alleges that the acts and conduct herein alleged of each such Defendant were known to, authorized by and/or ratified by the other Defendants, and each of them.

### **JURISDICTION AND VENUE**

- 17. This Court has subject matter jurisdiction over this case pursuant to 28 U.S.C. § 1332 because the controversy is between a citizen of the State of Nevada, on the one hand, and a citizen and businesses of states other than the State of Nevada. The amount in controversy exceeds \$75,000.00, exclusive of interest and costs.
- 18. This Court has personal jurisdiction over each of the Defendants because the Defendants have done business with Plaintiff in the State of Nevada, and did business with Vigoda, a resident of the State of Nevada, in the years preceding his death. The instant controversy arises out of such contacts with the State of Nevada.
- 19. Venue is proper in the Northern District of Nevada under 28 U.S.C. § 1391(b) because the events giving rise to the claims set forth in this Complaint occurred in this judicial district: Plaintiff resides in this District; Vigoda resided in this District prior to his death and at the time that he provided legal services to Defendants; and each of the Defendants has done and does business in this District. Moreover, a substantial part of the events giving rise to the claims herein occurred in this District, with Plaintiff and Vigoda while they were residents and domiciliaries of this District.

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# FIRST CAUSE OF ACTION

## **Breach of Written Agreement**

## (Against All Defendants)

- 20. Plaintiff repeats, re-alleges, adopts and incorporates by reference each and every allegation contained in Paragraphs 1 through 19, inclusive, as though fully set forth herein.
- 21. Multiple valid, binding and enforceable written agreements exist between Defendants, on the one hand, and Plaintiff (as Vigoda's heir and successor-in-interest), on the other hand. To provide examples of some of the noteworthy terms, of some of many written agreements at issue, certain provisions are set forth below, with all emphasis added for purposes of illustration:
- 22. The fully-executed written agreement dated July 1, 1971, between Vigoda, on the one hand, and Morris and BBMI (among other entities), on the other hand, provides, in pertinent part, that Morris and BBMI "hereby irrevocably assigns to you [Vigoda], or your designee, all of the undersigned's right, title and interest under the Agreement to receive any amount equal to six percent (6%) of the Royalties which will become payable to the undersigned [Morris and BBMI] as a result of the exploitation of all the Rights, assigned to BGV under the terms of said Agreement...."

[Mark of Morris, on behalf of himself and BBMI]

[Signatures of witness Syreeta Morris, Morris's wife]

23. The fully-executed written agreement dated April 1, 1976, between Vigoda, on the one hand, and Morris and BBMI (among other companies), on the other hand, provides, in pertinent part:

[C]onfirming and renewing your [Vigoda's] prior retainer agreement [with Morris and BBMI] the undersigned [Morris and BBMI] hereby irrevocably assigns to you or your designee, all of the undersigned's right, title, and interest under the Agreement to receive an amount equal to six percent (6%) of the Royalties which will become payable to the undersigned pursuant to the Agreement, whether said Royalties accrue during or long after the term of the Agreement....The

1		undersigned agrees that this agreement shall inure to the benefit of
2		your [Vigoda's] heirs, assigns and successors in interest.
3		[Mark of Morris, on behalf of himself and BBMI]
4		[Signatures of witness]
5	24.	The fully-executed written agreement dated April 1, 1982, between Vigoda and
6	Morris (amo	ng others entities), provides, in pertinent part:
7		I [Morris] do hereby:
8		1. Confirm and renew our 1971 pre-existing retainer agreement re
9		ASCAP and other matters.
10		2. Irrevocably assign to you [Vigoda], or your designee, all of my
11		right, title and interest under the aforementioned Agreement to receive
12		an amount equal to 6% of the Royalties which will become payable to
13		me as a result of the exploitation of Masters and Subject
14		compositions
15		4. I agree that this agreement shall be <b>binding upon my [Morris's]</b>
16		heirs, assigns and successors in interest and shall inure to the
17		benefit of your [Vigoda's] heirs, assigns and successors in interest.
18		I acknowledge that this has been read to me by the witness to my
19		signature.
20		[Fingerprints of Morris]
21		[Signature of witness Melba Williams, Morris's controller.]
22	25.	In connection with the April 1, 1982 agreement, Vigoda entered into a fully executed
23	agreement w	ith Motown Record Corporation ("Motown Corp.") dated April 5, 1982. Pursuant to the
24	April 5, 1982	2 agreement, Motown Corp. recognized and accepted the assignment to Vigoda of the 6
25	fee and agree	ed to pay the fee directly to Vigoda and his "heirs, assigns and successors in interest."
26	The April 5,	1982 agreement recognized the assignment as "irrevocable."
27	26.	The fully-executed written agreement dated December 31, 1986, between Vigoda and
28	Morris provides, in pertinent part:	

1	Reference is hereby made to the Agreements dated as of December 31,
2	1986 and all Exhibits constituting the Agreements between [Motown
3	Corp. and Jobete, BBMI, Morris, Taurus, Berry Gordy, Bach-
4	Lieberman and MCA, collectively] "the Agreements."
5	I do hereby:
6	1. Confirm and renew our 1971 pre-existing retainer agreement re
7	ASCAP (Black Bull), BMI (Sawandi) and other matters as to all post
8	1961 recordings and compositions now existing or hereafter created
9	under the Agreements.
10	2. Irrevocably assign to you [Vigoda], or your designees and heirs
11	forever all of my right, title and interest under the aforementioned
12	Agreement to receive an amount equal to 6% of the Royalties which
13	will become payable to me as a result of the exploitation of the post
14	1961 Masters and Subject Compositions (as defined in said
15	Agreements[)] and those produced or composed during the future term
16	thereof, or otherwise earned pursuant to said Agreements whether said
17	Royalties accrue during or at any time after the term of said
18	Agreement i.e. for all worldwide renewal and extension terms of
19	copyright forever
20	4. I agree that this agreement shall be binding upon my [Morris's]
21	heirs, assigns, and successors in interest and shall inure to the
22	benefit of your [Vigoda's] heirs, assigns and successors in interest.
23	I acknowledge that that [sic] it has been read to me by the witness to
24	my signature.
25	[Fingerprints of Morris, on behalf of himself and Taurus, BBMI and
26	Sawandi]
27	[Signature of witness.]
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1	27.	The fully-executed written agreement dated June 1, 1988, between Vigoda and Morris
2	provides:	
3		Reference is hereby made to the Agreements dated as of June, 1988
4		and all Exhibits constituting the Agreements between [Morris, BBMI,
5		Taurus, Motown Corp., and other companies, collectively] "the
6		Agreements."
7		I do hereby:
8		1. Confirm and renew our 1971 pre-existing retainer agreement re
9		ASCAP ([BBMI and SMM]), BMI (Sawandi) and other matters as to
10		all post 1961 recordings and compositions now existing or hereafter
11		created under the Agreements.
12		2. Irrevocably assign to you, or your designees and heirs and
13		assigns forever all of my right, title and interest under the
14		aforementioned Agreement to receive an amount equal to 6% of
15		the Royalties which will become payable to me as a result of the
16		exploitation of the post 1961 Masters and Compositions (as defined in
17		said Agreements) and those produced or composed during the future
18		term thereof, or otherwise earned pursuant to said Agreements
19		whether said Royalties accrue during or at any time after the term
20		of said Agreement i.e. for all worldwide original, renewal and
21		extension terms of copyright forever
22		4. I agree that this agreement shall be binding upon my heirs,
23		assigns, and successors in interest and shall inure to the benefit of
24		your heirs, assigns and successors in interest. I acknowledge that it
25		has been read to me by the witness to my signature.
26		[Fingerprints of Morris, on behalf of himself Taurus, BBMI, Sawandi,
27		and SMM]
28		[Signature of witness Rod McGrew.]

1	28.	Two letters, each dated June 15, 1988, from Morris to ASCAP and BMI, respectively,
2	state:	
3		[S]ix percent (6%) of the monies hereafter becoming payable to the
4		undersigned [Morris] forever, worldwide for all original and renewal
5		terms of copyright are payable to Johanan Vigoda and to his heirs,
6		successors and assigns.
7		[Fingerprints of Morris] Stevland Morris professionally known as
8		Stevie Wonder for himself individually and for Black Bull Music and
9		Stevland Morris Music.
10		Witnessed by [signature of witness Rod McGrew] who read same to
11		Stevland Morris.
12	29.	The fully-executed written agreement dated December 11, 1992, between Vigoda,
13	Motown Rec	ord Company, L.P. ("Motown, L.P."), and Morris, Taurus, BBMI and SMM provides, in
14	pertinent part	t:
15		22. You [Morris, Taurus, BBMI and SMM] hereby irrevocably
16		instruct and direct Motown and its successors, assigns to pay
17		worldwide and forever to Johanan Vigoda, and/or to such assignees
18		or designees as he may direct, six percent (6%) of all advances,
19		record royalties and other monies otherwise payable to you by
20		Motown in connection with the exploitation of all post 1961 masters
21		featuring your performances or productions throughout the world
22		The undersigned acknowledges that he has had read to him the
23		contents of the foregoing agreement and that he fully understands its
24		legal [consequences] and agrees to be bound thereby.
25		[Fingerprints of Morris] Stevland Morris for himself Taurus
26		Productions, Black Bull Music and Stevland Morris Music
27		[Signature of witness]
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allegation contained in Paragraphs 1 through 35 inclusive, as though fully set forth herein.

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- 37. Vigoda and his "heirs, assigns and successors in interest" were the rightful owners of 6% of Defendants' (and their successors') revenues under Defendants' corresponding music agreements "forever," including the Agreements identified and quoted above.
- 38. Plaintiff is Vigoda's heir, assignee and/or successor-in-interest, and therefore she (and her heirs, assigns and successors) is and are the rightful owner(s) of the aforementioned 6% fee.

As set forth hereinabove, commencing in or about mid-2013, Defendants wrongfully,

- intentionally and substantially interfered with Plaintiff's 6% fee by stopping all payments to Plaintiff and by instructing numerous music companies that had been paying the 6% fee to Plaintiff to immediately and permanently stop all such payments, and to instead pay *Defendants* such monies (which rightfully belonged to Plaintiff and her heirs, assigns and successors). In doing so, Defendants have converted the 6% fee for their own use and gain, and in a manner intended to harm Plaintiff.
- 40. Plaintiff did not consent to Defendants' actions, which had the effect of wrongfully and unlawfully converting to Defendants, Plaintiff's rightful 6% fee.
- 41. As a direct and proximate result of Defendants' wrongful conversion of the 6% fee, Plaintiff has been damaged in an amount to be determined at the time of trial, which amount is reasonably estimated to be not less than Seven Million Dollars (\$7,000,000), plus interest.
- 42. Plaintiff is informed and believes and based thereon alleges that Defendants, in doing the things herein alleged, acted willfully, maliciously, and oppressively, and with full knowledge of the adverse effects of their actions to Plaintiff, and with willful and deliberate disregard for the consequences to Plaintiff. By reason thereof, Plaintiff is entitled to recover punitive and exemplary damages from Defendants in an amount to be determined at the time of trial.

## THIRD CASE OF ACTION

# Intentional Interference With Contractual Relations and/or Economic Advantage (Against All Defendants)

43. Plaintiff repeats, re-alleges, adopts and incorporates by reference each and every allegation contained in Paragraphs 1 through 42 inclusive, as though fully set forth herein.

- 47. In other instances, Vigoda was explicitly recognized as a third party beneficiary of contracts Defendants had with the Music Companies and others. For example, written letters dated June 15, 1988 from Morris to ASCAP and BMI stated that 6% of the monies due Defendants "forever, worldwide for all original and renewal terms of copyright are payable to Johanan Vigoda and to his heirs, successors and assigns." The language of such directives was permanent and irrevocable in nature, and did not provide that Morris could revoke the directive at a later time.
- 48. Prior to mid-2013, pursuant to the terms of the agreements Vigoda had with the Music Companies and others, and for that agreements in which Vigoda was a third party beneficiary, the Music Companies (among others) paid to Vigoda, and, after his death paid to Plaintiff their rightful contractual 6% fee "forever."
- 49. Prior to mid-2013, each of the Defendants was aware of the contractual rights and economic relations between Plaintiff and the Music Companies. In or about mid-2013, Defendants,

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Plaintiff's claim to the aforementioned 6% fee forever. Plaintiff therefore seeks a declaratory judgment that Defendants and their heirs, assigns and successors-in-interest are obligated to pay Plaintiff and her heirs, assigns and successors-in-interest a fee of 6% forever on all sums received and to be received by Defendants and their heirs, assigns and successors-in-interest in connection with the agreements in which Vigoda represented Morris and any other Defendants, including the Agreements identified above, and including the back-payment of all paid sums from the time that payments to Plaintiff stopped in or about mid-2013 until the date of Judgment, with interest.

**WHEREFORE**, Plaintiff prays for judgment against Defendants, and each of them, jointly and severally, as follows:

## **AS TO THE FIRST CAUSE OF ACTION:**

1. For compensatory damages in an amount to be determined at the time of trial, which amount is not less than Seven Million Dollars (\$7,000,000), plus interest at the maximum legal rate.

### AS TO THE SECOND CAUSE OF ACTION:

- 2. For compensatory damages in an amount to be determined at the time of trial, which amount is not less than Seven Million Dollars (\$7,000,000), plus interest at the maximum legal rate;
  - 3. For punitive and exemplary damages in an amount to be determined at trial.

## AS TO THE THIRD CAUSE OF ACTION:

- 4. For compensatory damages in an amount to be determined at the time of trial, which amount is not less than Seven Million Dollars (\$7,000,000), plus interest at the maximum legal rate;
  - 5. For punitive and exemplary damages in an amount to be determined at trial.

### **AS TO THE FOURTH CAUSE OF ACTION:**

6. A judicial declaration that Defendants and their heirs, assigns and successors-in-interest are obligated to pay Plaintiff and her heirs, assigns and successors-in-interest a fee of 6% forever on all sums received and to be received by Defendants and their heirs, assigns and successors-in-interest in connection with the agreements in which Vigoda represented Morris and any other Defendants, including the Agreements identified above, and including the back-payment

## Case 3:15-cv-00123-LRH-VPC Document 45 Filed 08/25/15 Page 16 of 16 of all paid sums from the time that payments to Plaintiff stopped in or about mid-2013 until the date 1 of Judgment, with interest. 2 **AS TO ALL CAUSES OF ACTION:** 3 7. For all costs of suit incurred herein; 4 For interest at the maximum legal rate; and 8. 5 For such other and further relief as the Court may deem to be just and proper. 9. 6 7 8 Dated: August 25, 2015 HARDER MIRELL & ABRAMS LLP 9 10 By: <u>/s/ Charles J. Harder</u> CHARLES J. HARDER 11 Lead Counsel for Plaintiff 12 SUSAN STRACK 13 Dated: August 25, 2015 LAW OFFICES OF DAVID R. HOUSTON 14 15 By: /s/ David R. Houston\_ 16 DAVID R. HOUSTON Local Counsel for Plaintiff 17 SUSAN STRACK 18 19 20 21 22 23 24 25 26 27 28